

### **REMARKS/ARGUMENTS**

Claims 1-21 are all the claims pending in this application.

Reconsideration of the subject patent application and allowance of the claims are respectfully requested in view of the following remarks.

Claims 1-5, 7-13 and 15-21 have been rejected under 35 U.S.C. § 102(b) as being anticipated by Kelly et al. (U.S. Patent No. 6,015,344) ("Kelly"). Claims 6 and 14 have been rejected under 35 U.S.C. § 103(a) as being unpatentable over Kelly. Applicant respectfully traverses these rejections for the following reasons.

The present invention relates to a redemption system for award redemption. The system determines encumbrance levels of allowed awards from an encumbrance database, as a measure of whether or not to grant an award.

Independent claim 1 recites, *inter alia*, "maintaining an award history database that includes award transaction information that describes awards earned by a consumer and, for each earned award, the type of award." Independent claims 8, 17 and 19 have a similar limitation. Kelly does not teach, suggest or disclose this limitation.

In the Office Action, the Patent Office asserts that Kelly discloses this limitation at column 21, lines 60-63 and Figure 6b. However, Figure 6b simply illustrates a prize selection menu on a display screen of a game, and the text at column 21, lines 60-63 simply states that information relating to an offered game, prize or event can be selected at a game console 50. In addition, prizes can be selected at the game console 50 if the player has stored credits. There is no disclosure (at column 21, lines 60-63 or Figure 6b) of a database that includes information relating to a consumer's award transactions describing awards earned by the consumer and the type of awards earned, as called for by claims 1, 8, 17 and 19. Thus, this limitation is not met by Kelly.

Claim 1 further recites, *inter alia*, "maintaining an encumbrance database that describes types of awards that cannot be redeemed at one or more suppliers." Claims

8, 17 and 19 have a similar limitation. Kelly also fails to teach, suggest or disclose this feature.

The Patent Office relies on column 5, lines 1-6 and column 10, lines 64-67 to teach this feature. Column 5, lines 1-6 states:

A specific prize ticket dispenser can be included for providing a specific prize ticket or other voucher to the player. The specific prize ticket includes indicia describing the specific prize that has been won by the player. The player can exchange the specific prize ticket for the specific prize at a prize booth or other supplier.

This section of Kelly describes a ticket dispenser that dispenses a ticket or voucher to a player. The ticket itself can be exchanged for a prize at a booth or supplier. Indeed, the ticket (or the dispenser) is not a database that describes awards that cannot be redeemed at a supplier. In fact, Kelly explains that:

the "specific prize ticket," "specific prize coupon," or "specific prize voucher," as referred to herein, is a ticket, coupon, or other physical or electronic voucher that can be exchanged for the specific prize only, and cannot be exchanged for other types of prizes or accumulated to purchase several types of prizes. For example, paper or cardboard tickets, special metal, plastic, or cardboard coins or tokens, smart cards, etc., can be used as "specific prize tickets" and dispensed or output from specific prize ticket dispenser 22.

Col. 10, line 62-col. 11, line 4. The specificity requirement mentioned here is a specific ticket from a specific dispenser that can be used for a specific prize. This is not analogous to an encumbrance database that describes awards that cannot be redeemed at a supplier.

Claim 1 recites further, inter alia, "receiving a request to redeem an amount of the earned awards at a chosen supplier," and "determining allowed awards that can be redeemed with the chosen supplier." Claims 8, 17 and 19 have similar limitations. Once again, Kelly does not teach, suggest or disclose these limitations.

The earned awards in the above limitation (of claim 1) refer to the earned awards maintained in the award history database. Since Kelly does not disclose an award history database, Kelly does not meet this limitation. Further, once a player mails his/her ticket or accumulated tickets to a distributor or supplier in the redemption system of Kelly, the ticket is never returned. Accordingly, there is no need to determine allowed awards.

Correspondingly, Kelly does not disclose "determining encumbrance levels of the allowed awards based on the types of allowed awards and the data in the encumbrance database," as recited in claim 1. Claims 8, 17 and 19 have a similar limitation. The diagrams illustrated in Figures 6a and 6b of Kelly do not meet this limitation. There is neither an award history database nor an encumbrance database in the redemption system of Kelly. Most importantly, encumbrance levels are not determined, and the Patent Office has failed to identify support for this limitation.

Finally, Kelly fails to teach or suggest, *inter alia*, "determining which of the allowed awards to redeem based on the encumbrance levels." As discussed above, Kelly does not determine encumbrance levels, and thus, cannot teach this limitation.

Since Kelly fails to teach each and every limitation of claims 1, 8, 17 and 19, Kelly cannot anticipate these claims. Thus, the rejection of claims 1, 8, 17 and 19 should be withdrawn.

Dependent claims 2-7, 9-16, 18, 20 and 21 depend directly or indirectly on at least one of independent claims 1, 8, 17 and 19, and are submitted to be patentable and distinguishable over Kelly for at least the same reasons discussed above with respect to claims 1, 8, 17 and 19.

Appl. No. 09/932,588  
Amendment dated October 27, 2004  
Reply to Office Action of August 26, 2004

Applicant submits that the present application is now in condition for allowance.  
Reconsideration and favorable action are earnestly requested.

Respectfully submitted,

By 

Monica S. Davis  
Attorney for Applicants  
Registration No. 44,492  
ROTHWELL, FIGG, ERNST & MANBECK, p.c.  
Suite 800, 1425 K Street, N.W.  
Washington, D.C. 20005  
Telephone: (202)783-6040  
Facsimile: (202) 783-6031

L:\2829\2829-141.AMD1.wpd